

Government has a proposal to bring a new legislation in place of three existing laws namely, the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948 and the Electricity Regulatory Commissions Act, 1998. Discussions have been held with State Governments and other stakeholders at various stages of finalisation of the new legislation.

Power Projects financed by FDI

**†1260. SHRI GOPALSINH G. SOLANKI:
SHRI BRATIN SENGUPTA:**

Will the Minister of POWER be pleased to state:

- (a) the number of power projects financed through direct foreign investment for which Government have given an assurance of counter-guarantee at present;
- (b) the total amount of investment made in these projects;
- (c) the return rate proposed by Government for such projects;
- (d) till what time this counter-guarantee will be valid; and
- (e) the number of foreign firms which stopped working during last year due to non-availability of counter-guarantee?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The following eight private power generation projects involving foreign direct investment were chosen for extension of counter guarantee of Government of India:

S.I. No.	Name of the Project	Capacity (MW)	Estimated completed cost (as per techno-economic clearance given by CEA)
1.	Visakhapatnam Thermal Power Project, Andhra Pradesh.	1040	US\$ 943.75 million + Rs. 1324.993 crores @ 1US\$ = Rs. 35.00)
2.	Neyveli (Single Unit Lignite based) Thermal Power Project, Tamil Nadu	250	US\$ 261.59 million + Rs. 501.10 crores @ 1US\$ = Rs. 31.50)
3.	Mangalore Thermal Power Project, Karnataka.	1013.2	US\$ 751.574 million + Rs 1580.89 crores @ 1US\$ = Rs. 31.50)

†Original notice of the Question was received in Hindi

[7th March, 2001]

RAJYA SABHA

Sl. No.	Name of the Project	Capacity (MW)	Estimated completed cost (as per techno-economic clearance given by CEA)
4.	Bhadrapati Thermal Power Project, Maharashtra	1082	Rs. 5187 crores.
5.	Ib Valley Thermal Power Project, Units A&B, Orissa.	500	US\$ 326.02 million + Rs. 983.90 crores @ 1US\$ = Rs. 42.50)
6.	Jegurupadu Combined Cycle Gas Turbine, Andhra Pradesh.	216	Rs. 827 crores
7.	Godavari Combined Cycle Gas Turbine, Andhra Pradesh.	208	Rs. 748.43 crores.
8.	Dabhol Combined Cycle Gas Turbine, Phase- I, Maharashtra.	740	Rs. 9051.27 crores (includes cost of Phase-II of the project)

Counter Guarantee of Government of India has been extended to Jegurupadu Combined Cycle Gas Turbine (216MW) of M/s. GVK Industries Limited, Ib Valley Thermal Power Project (500 MW) of Ib Valley Power Private Limited and Dabhol Combined Cycle Gas Turbine (Phase-I) (740 MW) of M/s. Dabhol Power Company. M/s. Spectrum Power Generation Limited withdrew their request for counter guarantee for their 208 MW Godavari Combined Cycle Gas Turbine in Andhra Pradesh.

On 16.5.1998, the Government approved extension of counter-guarantee in the case of the Visakhapatnam Thermal Power Project (1040 MW) of M/s. Hinduja National Power Company Limited (HNPL) in Andhra Pradesh, Bhadravati Thermal Power Project (1082 MW) of M/s Central India Power Company (CIPCO) in Maharashtra and the 250 MW single unit lignite based Neyveli Thermal Power Project of M/s. ST-CMS Electric Company in Tamil Nadu, through a revised procedure. Government of India counter guarantee to these projects have been issued in August, 1999.

The Ib Valley project was re-negotiated by the Government of Orissa before construction could commence and, therefore, techno-economic clearance was issued afresh to this project on 26.2.1999. Issue of Counter Guarantee of Government of India was approved in the case of this project and the Mangalore Thermal Power Project of M/s. Cogentrix Energy Inc., on 22.12.1999.

(c) The tariff notification dated 30.3.1992, as amended from time to

time, *inter-alia*, provides up to 16 per cent return on paid up and subscribed capital relatable to the generating unit as a part of fixed cost of the tariff for sale of power by the generating companies to the concerned State Electricity Board at 68.49 per cent Plant Load Factor (PLF). For generation of above 68.49 per cent PLF an additional incentive of up to 0.7 per cent of paid up and subscribed capital, for each percentage point increase of PLF above the normative level of 68.49 per cent PLF, shall be payable.

(d) Under the revised procedure for extension of counter-guarantee of the Government of India, it was *inter-alia*, decided that counter guarantee will be given only for the event of termination and will be limited to the outstanding foreign debt only. Normally the counter-guarantee will remain in force for a period of 12 years from the date on which the power station is declared commercially operational.

(e) In a letter dated 11th February, 2000, M/s, Cogentrix Energy Inc., the promoters of the Mangalore TPP have informed that they have transferred their interests in the Mangalore Power Project and Mangalore Power Company to China Light (Mauritius) Ltd. and have no further interest in the project or the Company.

BHEL's Capacity to manufacture Power Plant

1261. SHRI C.O. POULOSE: Will the Minister of POWER be pleased to state:

(a) whether Government are aware that BHEL is able and willing to undertake the manufacture power plant equipment of high and globally competitive standards;

(b) whether Government are also aware that NTPC has demonstrated its efficiency in the construction and running of power stations and BHEL and NTPC can together add 600 MW of power to the generation capacity annually; and

(c) if so, what steps have been taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) Yes, Sir. NTPC is going ahead with its capacity addition programme as per its approved Corporate Plan. Tenders are invited for their projects and